——Report——
Internship in a Ship Agency

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——Abstract——

One of my professional goals is to become an effective and conscientious manager of a tug company in which my father is the president now. My internship was performed from the end of June to the end of October in 1998, at Transmarine Navigation Corp., an international ship agency in Honolulu, Hawaii. I could experience various responsibilities during this internship.

These activities fell into four categories. The following is an explanation of these responsibilities in each category:

(1) To observe vessel operations with the Transmarine staff.

I visited several vessels at Honolulu Harbor, Sand Island, and Barbers Point, with the Transmarine staff. These visits exposed me to the necessary procedures for visiting vessels. In addition, these experiences helped me understand the role of the ship agency in the maritime industry.

(2) To attend conferences, meetings, and business-related socializing.

These conferences and meetings included the Hawaii Maritime Conference II and a US Coast Guard conference. The business-related socializing I participated in was, for instance, a couple of parties at O'Tools and a home party in Kahana. These activities provided me the opportunities to attend and observe business at the social level, and to realize the significance in the sense that this refreshes and expands human relationship in business.

(3) To observe maritime companies' functions and maritime-related facilities.

The maritime related companies and organizations I visited were Pacific Environment Corp., Hawaiian Tug & Barge Corp., a pilot company, US Coast Guard, Matson Navigation Company, and Hawaiian Stevedores, Inc. These observations helped me grasp how companies and businesses work together in the maritime industry. Also, I attended the Matson exhibition at the Hawaiian Maritime, where I gained a better understanding of the history of the maritime industry.

(4) To research and discuss business in general and the maritime industry.

'The 7 habits of highly effective people' (Covey, S.R. Covey, 1993) raised my awareness of the effectiveness of treating customers with the greatest care in business. 'Ship agency' (Schiels, K.T.) provided me insights that aided my observation of the ship agency. The reference about a speech by a US Coast Guard captain provided me a future vision of the maritime industry. Also, discussions with the Transmarine staff together with my actual experiences aided me in learning several basic courtesies of business. These courtesies included treating people in an important fashion, exchanging name cards, and sending thank-you letters to customers.

As I described, there are many tools that I obtained during my internship. Above all, two of the most significant things were the capture of the rough picture of the maritime industry, and the realization of some significant skills common to every business. These are usually not emphasized in engineering study.

This internship was successful in the sense that each category of responsibilities was accomplished and that this accomplishment will surely help me to attain my professional goal. I wish to acknowledge the debt that this successful internship highly owed to the extreme cooperation and enthusiasm of Dr. Sherwood Maynard in Marine Option Program at the University of Hawaii at Manoa, Bob Kitagawa, Georges Buillard, Gracelyn Chung, Kevin Kinerney, Skip Howard, and William D. Nickson in Transmarine and other people in various companies. Without their help and guidance, the success of my internship would not have been possible. Last but not least, I indebted to my family, who primarily provided me the opportunity to pursue my interest in this internship.

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—1. Introduction—

1.1. My Professional Goal and Purpose of My Internship

One of my professional goals is:

- To become an effective and conscientious manager of the tug company[1] whose president is now my father.

My internship was performed at a ship agency[2] with the following purposes, which will help to accomplish that goal:

(a) To observe how companies and businesses work together to service a vessel when it enters a harbor,

(b) To learn the fundamental and crucial philosophy common to maintaining and expanding every business,

(c) To find how mathematical methods are applied in the maritime industry,

(d) To figure out and specify what needs to be strengthened in my curriculum of ocean engineering graduate study and research.

My internship in a ship agency, which had lots of contacts in the maritime industry, was designed to show me a general and comprehensive picture of both the vessels and the harbors (refer to (a)). Also, my internship will help me to figure out some indispensable ways of thinking that are applicable to any business through my internship (refer to (b)).

Pursuing my bachelor's degree, I learned Operations Research[3], an applied mathematics, in short, to be used to seek optimal strategies in business. I expected to see in this internship how mathematical methods are used in the maritime industry (refer to (c)). Currently, I am studying Ocean Engineering to pursue my master's degree. I tried to figure out what I should put strength on my study and research (refer to (d)).

As a whole, my internship with these four purposes will organize what I have learned until now and 'navigate' what I will learn in the future. I believe that my internship will help accomplish my professional goal above.

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[1] This indicates Tanaka Kaiun Corp. in Japan. The contact information is in A.4.

[2] The further explanation about a ship agency is in 1.3.

[3] The further explanation about Operations Research is in A.1.1.

1.2. The Activities in My Internship

I performed my internship in Transmarine Navigation Corp.[4](abbreviated to Transmarine), an international ship agency, which has a branch in Honolulu. The duration of my internship was approximately six weeks of full-time in all, which spreads from the end of June to the middle of October. My internship includes the activities below:

(1) To observe vessel operations with the Transmarine staff.

(2) To attend conferences, meetings and business-related socializing.

(3) To observe maritime companies' functions and maritime-related facilities.

(4) To research and discuss business in general and the maritime industry.

I visited vessels with the staff from Transmarine when he or she arranged services for vessels in port (refer to (1)). I also attended and participated in some conferences, meetings, parties and so forth with the district manager in Transmarine (refer to (2)). The district manager introduced me to visit other companies related to the maritime industry (refer to (3)). He taught me essential things to do business. In addition, I researched about and discussed business and this industry in general (refer to (4)).

1.3. Ship Agency and Transmarine Navigation Corp.

A ship agency arranges to service a vessel to complete her job efficiently in the port where the ship agency is based. For example, the agency helps the ship to pass the Coast Guard's inspection and Immigration Office's inspections. Also, it arranges water taxis, introduces a pilot and calls tugs to berth or unberth.

Transmarine Navigation Corporation is an international ship agency, specifically a tank/tramp steamship agency, which was founded in 1938. Transmarine has it's head office in Long Beach, California, and about 20 offices worldwide, including the one in Honolulu. Transmarine worldwidely provides service to over 2000 ships per year for vessel owners, operators and charterers alike.

Transmarine has six staff in Honolulu as follows (Picture 1.3.1):

Names	Positions	Picture
Bob Kitagawa	Operations/Marketing	3rd
Georges Buillard	Accounting	5th
Gracelyn Chung	Service Coordinator	not shown
Kevin Kinerney	Operations Manager	2nd

[4] The further explanation about Transmarine Navigation Corp. is in 1.3.

Skip Howard	Marine Manager	4th
William D. Nickson	District Manager	1st

Picture 1.3.1. The staff of Transmarine

——2. Explanation about the Activities——

The activities during my internship, as shown in 1.2., fell into four categories such as (1) to observe vessel operations with the Transmarine staff, (2) to attend conferences, meetings and business-related socializing, (3) to observe maritime companies' functions, and (4) to research and discuss business in general and the maritime industry. Each responsibility is recorded chronologically in A.2. In addition, the date, time and location of these activities are shown in A.3. I provided explanations about these activities in each category as follows:

2.1. The Activities to Observe Vessel Operations with the Transmarine Staff

I visited oil tankers with the Transmarine staff in Honolulu Harbor (Picture 2.1.1.), Barbers Point (Picture 2.1.3.), and Sand Island (Picture 2.1.4.). The staff met the captains of the vessels, their crews, immigration inspectors, and Coast Guard officers. The staff helped arrange inspections and other services concerning this business so that the vessels could do what they needed to do.

2.1.1. At Honolulu Harbor

On June 25, I visited Taiho Maru, an oil tanker from Japan, with Skip Howard, the staff in Transmarine. The tanker was berthed during taking on fuel. We left Pier 35 at Honolulu Harbor and headed for this tanker by a water taxi (Picture 2.1.2.), which is a small boat to transport people within coastal area. After we arrived at this tanker, we climbed up a ladder, which was about 10 meter long. Skip arranged the inspections mainly with the US Coast Guard officer and the Immigration Inspection officer. Upon leaving, we tried to go down that ladder. But the waves got bigger during taking off. So the water taxi driver moved this taxi to the other side of this tanker where waves were relatively smaller. It took time for all the people to get off this tanker, but we could leave safely. The driver informed me that safety was the first priority and so he never had experienced any single accident for 10 years. The driver emphasized on the importance in safety in his job.

2.1.2. At Barbers Point and Sand Island

On June 26, I visited a tanker, berthed at Barbers Point, with Kevin Kinerney in Transmarine. Also, on July 3, I visited a tanker from South Korea with Bob Kitagawa in Transmarine. Bob made me realize one fundamental thing: "The most important goal for the vessels coming here in Honolulu harbor is to discharge their cargo. So, what a ship agency has to do is to help the coming vessels pass inspections such as US Coast Guard inspections and Immigration inspections so that they can discharge cargo successfully.

Otherwise, the vessels coming over all the way from here would just waste time and money and other business opportunities."

Picture 2.1.1. Honolulu Harbor

Picture 2.1.2. Water Taxi

Picture 2.1.3. Barbers Point

Picture 2.1.4. Sand Island

2.2. The Activities to Attend Conferences, Meetings and Business-Related Socializing

I participated in some conferences, meeting and business-related socializing. Hawaii Maritime Conference II, which is the conferences that I attended, is explained in 2.2.1. The business-related socializing is explained in 2.2.2.

2.2.1. Conferences and Meetings

I attended several conferences and meetings mainly with William D. Nickson (Bill), the district manager in Transmarine. One of the conferences that I attended was Hawaii Maritime Conference II, which was to discuss the consolidation of Hawaii's maritime lands, facilities, and functions. Currently, these are under the jurisdiction of several departments and agency.

The brochure of this conference describes about these separated jurisdiction: "Currently, Hawaii's maritime land, facilities, and functions are under the jurisdictions of several departments and agencies within the States of Hawaii—Department of Transportation (DOT) Harbor Division, Department of Land and Natural Resources (DLNR) Boating and Ocean Recreation Division (DOBOR), DLNR Land Division, Hawaii Community Development Authority (HCDA), and the Aloha Tower Development Corporation (ATDC). This multi-jurisdictional situation has resulted in inefficiencies and occasional conflicts over maritime and nonmaritime uses that have been difficult to resolve among agencies."

The attendees of this conference were from both government side and public side, such as Ben Cayetano from State of Hawaii, Jack Sutherland from Sea-Land Services, inc., Tony Hanley from Matson Navigation Company, Mike Hamnett from UH Social Science Resource Institute, and J.E.Hess from USCG Marine Safety Office Honolulu. I could meet lots of experienced people in the maritime industry.

In the morning, these participants from both sides made their presentations. In the afternoon, these participants were divided into four groups and discussed their assigned topics in each group. This conference has completed after each group presented what was discussed in each group. In the afternoon discussion, the group that Bill and I joined in talks about the definition of this jurisdiction problem. The discussion of our group was evaluated to be successful by most of the participants of this conference. This is because the facilitator of our group effectively maneuvered the discussion to focus on what should be discussed. Also, she made the atmosphere to urge the attendees to talk easily.

Bill explained me about the benefit of this jurisdiction; one benefit to create one entity from separately owned maritime land and facilities is to be able to omit needless procedures when they are utilized. That would be expected to stimulate the maritime business. In the same fashion, the brochure of Hawaii Maritime Conference I says that a consolidation into one entity would increase the efficiency of services provided to users, align goals and objectives for planning and development, and enable more timely development to occur.

2.2.2. Business-Related Socializing

The business-related socializing that I participated in with Bill covered various kinds of parties and luncheons. I visited Rotary Club (Picture 2.2.1.) three times, where people such as general managers, professors, and lawyers socialize. Also, I visited O'Tools several times, an Irish bar where lots of people working in the maritime industry enjoy drinking. Bill often goes to this kind of places not only for eating and drinking but also socializing and seizing business opportunities. Also, I was invited to a home party in Leeward (Picture 2.2.2.). The people invited to this party were mostly the presidents or managers of companies in the maritime industry. By the way, the house of this party was such a large property. The host of this party said that this property has been owned by this host family since 1920s. The house was photographed for a book about beautiful houses in Hawaii.

Picture 2.2.1. Rotary Club

Picture 2.2.2. A Home Party in Leeward

2.3. The Activities to Observe Maritime Companies' Functions and Maritime-Related Facilities

I visited several companies and organizations related to the maritime industry such as an oil-spill cleanup company (2.3.1), a tug and barge company (2.3.2), a pilot company (2.3.3), the US Coast Guard (2.3.4), Matson (2.3.5), a stevedore company (2.3.6). In addition, I visited the Hawaiian Maritime Museum (2.3.7) and Japanese submersible (2.3.8). These are explained as follows:

2.3.1. The Oil Spill Cleanup Company

I visited Pacific Environmental Corp. (abbreviated to PENCO). Their main business is to clean up oil spills. They showed me the clean up at Pier 1 at Honolulu Harbor on July 14, 1998. There was an oil spill from an old rotten pipe beneath the dock in Pier 1. The red pipes floating on the ocean (Picture 2.3.1.) are called harbor booms. These are very flexible. Oil is very sticky to harbor booms. So, these are used to surround oil spills so that leaked oil cannot spill over the harbor booms. Harbor booms are used many times after washing. The staff of PENCO are cleaning the used harbor booms in the Picture 2.3.2. I helped this cleaning (Picture 2.3.3.). PENCO prepares some other kinds of oil absorbent stuffs such as sorbent sweep, sorbent pad and oil rag net. I went beneath the dock at Pier 1 by a small boat and found the oil-leaked pipe with the PENCO staff. PENCO sometimes use surfboard to go beneath docks.

Picture 2.3.1. Oil Spill Prevention

Picture 2.3.2. Cleaning of Harbor Booms

Picture 2.3.3. My Participation in Harbor Booms Cleaning

Before I joined the cleaning of these harbor booms, I just observe how PENCO staff worked. It was surprising experience for me that they became friendly at sudden after I joined this cleaning. I understood that people open their mind when they can share the feelings.

2.3.2. The Tug and Barge Company

I visited Hawaiian Tug & Barge Corp. (abbreviated to HTB) two times. My first visit, which was on July 20, 1998, was to check the general information of HTB. My second visit, which was on August 14, 1998, was to observe their tug's operations towing vessels.

I got on a tug boat to observe its operations. According to the operator of the tug, some of the tugs owned by HTB have Z-drives, which enable tugs to move back and forth and rotate freely. The tug I got on board wasn't equipped with a Z-drive. A tug without a Z-drive costs about 1 million dollar. On the other hand, a tug with a Z-drive costs about 5 million dollars, which is approximately five times more than the one without. So, only some of the tugs in HTB have Z-drives. But, my father, who is working in a tug company in Japan, told that Z-drives are installed almost all of the tugs in Japan. It seems to me that this difference between Japan and US reflects the difference in the

fundamental way of thinking: Japanese people tend to possess what lasts long, although American people are apt to own what lasts not as long as the ones in Japan and replace that when that does not work well.

I also heard that Z-drives could be attached to not only tugs but also vessels. For instance, some large vessels have as many as five Z-drives.

2.3.3. The Pilot Company

I observed a pilot's work when a vessel came to Honolulu harbor on August 18, 1998. David B.K. Lyman III, a pilot, went on board while the vessel was not in motion outside this harbor. As the vessels started to move toward this harbor, he instructed the captain when to stop its engine and where to turn steering, so that this vessel could safely proceed into this port. At the entrance of this harbor, two tugs approached this vessel.

This captain prepared two charts of Honolulu Harbor, which were different in scale. He marked the way this vessel had passed on these maps.

An intern also observed this operation to learn this pilot's work. This intern was supposed to do his internship in this pilot company for two years.

2.3.4. The Coast Guard

My interview was with Timothy Wilcox, a staff of US Coast Guard (abbreviated to USCG), on August 21, 1998. He explained to me overall responsibilities of USCG. For example, USCG evaluates entering vessels by using an evaluation sheet to calculate the points referring to the previous inspections of the vessels. Based on this, USCG determines whether these vessels are allowed to enter this harbor. In this kind of works, it is significant to follow the procedures written in manuals and ordered by the headquarter of US government.

2.3.5. Matson

I interviewed with Robert J. Murray, a marine engineer in Matson Navigation Company (abbreviated to Matson), on September 18, 1998. We talked about engineering in Matson, the history of containerization, and the way of business in Matson.

Firstly, we talked about how engineers in Matson work. Engineers in Matson fall into three categories in background; sea going experience, marine engineering and maritime school. Most of them came from sea-related background, but all of them didn't came from marine engineering. Matson engineers overall don't necessarily confine to their own specific field of engineering that they learned in pursuing their degrees. For instance, maritime engineers sometimes work as industrial engineers. He also talked about Industrial Engineering in Matson, which I also used to study. The methods of Industrial Engineering are used to optimize the flow of operation and design layout of yard.

The topic was secondly shifted to the history of containerization. Matson and Sealand pioneered containerization, which was dropped a hint of military conex box. Matson and Sealand had developed containerization separately, therefore, each company had its own standard containers. These developments stimulated European countries to develop its containerization as well. European containers became different in size from the ones in Matson or Sealand. The result was as follows; Sealand containers have 35 feet

in length, and Matson containers have 24 feet, and European containers have either 20 or 40 feet. In addition, containers of 27 feet were developed. Even now the standard of container is still confusing. This should be standardized in one unit in order to get rid of inefficiency.

Thirdly, I interviewed about the sudden shift that Matson had stopped passenger service in the 1970s. The reason was that airlines began to take more passengers. Also, Matson needed capital to invest in new cranes and containers for its containerization.

2.3.6. The Stevedore Company

My first visit to Hawaii Stevedores, Inc. (abbreviated to HS) on October 1, 1998 was to observe its operation in the Sealand terminal on Sand Island. My second visit on October 6, 1998 was to see the operation at Pier 1 for a vessel owned by Nippon Yusen Kaisha, the biggest shipping company in Japan. J. David Bryant, the superintended of stevedoring in HS, explained about stevedores. Stevedore is defined as a docker who is employed in the working of cargo in the hold of a merchant ship when she is being loaded or unloaded in port (Brodie P. 1994). David mainly talked about the significant in safety in stevedoring business and the difficulty in dealing with union in stevedoring.

Incidentally, Bill told me the difference between stevedore and long shore man, which are often confusingly used. A Stevedore is a company whose business is stevedoring. Long shore man is a worker who works in stevedoring.

2.3.7. Hawaiian Maritime Museum

I visited Hawaiian Maritime Museum two times. My first visit on August 21, 1998 was to see this museum generally. My second visit on September 14, 1998 was to study the history of Matson, Matson's containerization, and Matson's secrets of success.

This museum showed Matson's history as follows. In 1900s, Matson began servicing Hawaii with regularly-scheduled passenger line. In 1920s, Matson built luxury passenger line because of the rise of tourism. Along with this cruise service, in1920s, Matson completed the Royal Hawaiian Hotel to accommodate their customers. 1930s was said to be the heyday of Matson's passenger line. Matson's business was just barely profitable even if they have one hundred percent passenger, because Matson cruise was service-intensive. In 1940s, during WWII, the Royal Hawaiian Hotel and the passenger lines were commandeered by the government and badly thrashed. Since 1970s, Matson discontinued passenger service in order to concentrate on cargo services with the emergence of containerization.

This museum introduced the development of containerization in Matson. This development had two stages: "Ro-Ro" and "Ro-Lo". "Ro-Ro" was the first stage of containerization. This was the abbreviation to roll-on and roll-off. This was soon replaced by "Ro-Lo". "Ro-Lo" was short for Roll-on/Roll-off and Lift-on/Lift-off. This was a combination vessel when some containers were driven aboard on their trailers while others were lifted on and off with gantry cranes. This combination has proven to be most efficient, and all current Matson containerships are ordered this way.

Matson is one of the successful companies in Hawaii. Mr. Matson, the founder of Matson, mentioned the nature of shipping business: "Every voyage was a partnership—

with different partners holding shares, generally in eighths—and then splitting the profits." This museum evaluated Matson as follows:

- Mr. Matson recognized the potential of oil. He convinced Hawaii's plantation and sugar mill owners to switch from coal or bagasse to oil. Then he converted some of his sailing fleet into tankers to carry the oil to the islands.

- In the three decades since, Matson Navigation Company has continually refined the concept of cargo containerization, and has revolutionized shipping world.

2.3.8. The Japanese Submersible

I observed Kaiko, Japanese submersible coming for exhibition, at Aloha Tower on September 19, 1998. This submersible could dive most deeply in the world. It can descend down to 11,000 m, which is deeper than the deepest place in the ocean. This submersible virtually can visit anywhere in the ocean.

2.4. The Activities to Research and Discuss Business in General and the Maritime Industry

The responsibilities to research and discuss business in general included leaning some courtesies in business (2.4.1), and listening the audio cassette of "the 7 habits of highly effective people"(Covey, S.R., 1993) (2.4.2). The responsibilities to research and discuss the maritime industry included reading "ship agency" (Schiels, K.T), which explained ship agency in general (2.4.3), and listening a speech by a US Coast Guard captain (2.4.4). These are explained as follows:

2.4.1. Courtesies in business

Bill explained me about courtesies in business. These were all he emphasized, actually. What he put the strongest emphasis on was the effectiveness to make customers and business friends feel that they are treated importantly and sincerely. Human relationship is the key in business. Bill explained this with the analogy of how to make a girlfriend.

Another way to make people feel treated importantly is to send thank-you letters. A thank-you letter is a letter to express gratitude to customers and business friends. This letter is most effective if this is sent right after the trade. Below are the four thank-you letters that I actually sent:

- To Wallis T. Yoshino (Field foreman, PENCO) on July 15, 1998.

  Dear Wallis:

  Thank you very much for your warm welcome and kindness to have introduced me to PENCO. Especially, it was interesting

experience to see the oil leak beneath the deck. The visit to your company made me realized that oil spill is more troublesome to deal with than what I thought to be. So, your company is essential and has a crucial role in this harbor where lots of companies are woven together.

I will continue this internship until at least the middle of August. Please say hello to everyone. I look forward to see you again.

Sincerely yours,

Katsumasa TANAKA

- To David B.K. Lyman 3 (Pilot) on August 18, 1998.

Dear David:

Thank you very much for your kindness showing me your pilot operations.

I could figure out how pilots make the vessels work efficiently and help to make the most of the harbor.

Hopefully, you will have a good life, please say hello to Tom and everyone, I look forward to seeing you again.

Sincerely yours,

Katsumasa TANAKA

- To Timothy Wilcox (US Coast Guard) on August 21, 1998.

Dear Tim:

Thank you very much for your kindness in giving me the general introduction to US Coast Guard.

Your explanation definitely enriched my way of understanding the harbor and vessels.

Hopefully, you will have a good life, and I look forward to seeing you again.

Sincerely yours,

Katsumasa TANAKA

- To Captain Robert J. Murry (Engineering & Marine Operation, Matson Navigation Company) on September 18, 1998.

  Dear Robert:

  Thank you for giving me the opportunity to meet and have the interview with you.

  You have helped me gain deeper insights of what has happened in the maritime industry, especially about containerization.

  Hopefully I will see you again, and best wishes for you.

  Mahalo, Katsumasa Tanaka

2.4.2. The Audio Book 'The 7 habits of highly effective people'

The audio book of 'the 7 habits of highly effective people' by Covey, R.S. suggested several useful ways of thinking and the seven effective habits that would be effective for business.

This book, first of all, mentions the importance of the paradigm shift: the significant problem we face cannot be solved at the same level of thinking we are at when we created them. This book also describes the three stages that people experience in their improvement of mentality: dependence, independence, and interdependence. To begin with, dependence is the state where people cannot be responsible for themselves and, as a result, need other people and rely on them. The next stage is independence where people are self-reliance and responsible for themselves. Interdependent is the final stage where people have team spirits and are cooperative of others. It should be noted that interdependence can only be built on a foundation of dependence and independence.

This book's main theme is the seven habits of highly effective people. A brief summary of these habits is as follows:

- Habit 1. Be proactive:
  Proactive is the condition that people behave by their values, not by the circumstances. In other word, proactive behavior is a function of decision, although reactive behavior, the counterpart of the proactive behavior, is a function of conditions such as social environment. Proactive people choose what they do, proactive people can be responsible and take initiatives.

- Habit 2. Begin with the end in mind:
  To begin with the end in mind means to start with a clear understanding of your destination of what you're doing.

- Habit 3. Put first things first:
  It is important to be principle-centered and, in other word, to manage self. This author suggests the classification of what you need to do into the four categories: 'urgent and important things', 'urgent but not important things', 'not urgent but important things', 'neither urgent nor important things'. Proactive people tend to give priority 'not urgent but important things' to 'urgent but not important things'. 'Not urgent but important things' are often more important than 'urgent but not important things', because 'not urgent but important things' relate to results, though these things often are not visible. This habit can be said to manage self rather than time.

- Habit 4. Think win/win:
  Win/win is a frame of mind that constantly seeks mutual benefit in all human interactions. This frame sees life as a cooperative, not a competitive arena. To become to think win/win way, it is imperative to separate the person from the problem objectively.

- Habit 5. Seek first to understand, then to be understood:
  In conversation, it is often observed that listeners prepare to reply but forget to understand the speakers. The way of understanding what the speakers say as it is is called empathic listening. Empathic listening is a foundation to build sound human relationship. In other word, the listeners see the world the way the speakers see the world, and the listeners understand the speakers' paradigms, and how the speakers feel. Empathic listening gets inside another person's frame of reference. By the way, it is interesting, and should be noted that empathy is different from sympathy. Sympathy listening is a form of agreement emotionally and dependently. On the other hand, empathic listening doesn't necessarily mean that the listeners agree with the speakers; it means that the listeners fully, deeply, understand that the speakers intellectually as stated above.

- Habit 6. Synergize:
  To communicate synergistically means to open your mind, heart, and expressions to new possibilities, new alternatives, and new options. This author describes that synergistical communication will make you feel inward sense of excitement and security and adventure.

- Habit 7. Sharpen the Saw:
  There are four dimensions of nature for human: physical (exercise, nutrition, and stress management), social/emotional (service, empathy, synergy, and intrinsic security), spiritual (value clarification & commitment, and study & meditation), mental (reading, visualizing, planning, and writing). Sharpening the saw means to exercise all four dimensions of human's nature, regularly and consistently in wise and balanced ways. This habit supports all the other six habits ever discussed.

2.4.3. A book about ship agencies

Ship Agency written by Schiels, K.T. focused on tramp ship agencies and its relationship with principal such as shipowners and chaterers, and the basic ideas of business in tramp ship agencies. This book was summarized as follows:

(a). Tramp ship agency

A tramp ship agency is a ship agent that deals with tramp vessels. Tramp vessels are contact carriers that are operated regularly, and are mostly designed to carry large volumes of homogeneous raw materials and foodstuffs. On the other hand, liner vessels, the counterpart, are contact carriers with schedules, and move goods of high value requiring distribution on vessels.

As an introduction, the author provides some general information about tramp ship agencies as follows.

- The type of ships dealt with by tramp ship agencies:
  - Dry cargo: Bulk carries, general cargo,
    Container ships,
    Roll on roll off ships.
  - Liquid carriers: Handy and small sized tankers (6,000~35,000 dwt),
    Medium tankers (35,000~160,000 dwt),
    Very large crude oil tankers (160,000~400,000 dwt).
  - Ore/bulk/oil carriers (for either dry or liquid cargo).

- The organizations of tramp ship agency:
  - Purchasing department (e.g. warehousing in strategic location)
  - Crewing department
  - Engineering department
  - Insurance and claims department
  - Chartering operations department

- The types of employment for tramp vessels:
  - Demise charter
  - Time charter
  - Voyage charter

The author also mentions about shipbroking, a service joining those seeking ships to carry their cargo and shipowners seeking cargo to employ their vessels.

It is necessary to define agency and principal before the relationship between agency and principal. This author defines agency and principal as follows: "Agency is the name given to the legal relationship which arises when two parties enter into an agreement. One of the parties, called the agent, agrees to represent or act for the other, called the principal, subject to the principal's right to control the agent's conduct concerning the matters entrusted to the agent"

There are two kinds of tramp agency such as general agency and special agency. A general agent can represent either an owner or a charterer. This agent is consistent at

all ports. On the other hand, a special agent attends to a principal's interests only at a named port. This agent has limited authority.

(b). The relationship among tramp ship agency, shipowners, and charterers

The contracts between agency and principal incur duties and liabilities between them. Tramp agency has several duties and liabilities to principal as follows:

- To act within the scope of authority:
  In any event occurring out of the normal, agency is obliged to seek principal additional instruction to act.

- To keep secrecy and loyalty:
  To let another company know principal business deals can be disadvantage for the principal. Thus, agency should keep secret about a principal's business.

- To contract on the principal's behalf:
  When agency contracts with vendor, supplier, repairing company, or whatever, agency must inform them that they are employed under the name of the principal.

- To put a contract signature under the name of principal:
  When an agent need to put a signature, it is recommended to sign 'as agents for named principal' rather than 'as agents.'

- To account for funds advanced by the principal:
  Agency should report principal any use of principal's fund.

- To exercise care, skill, and diligence:
  A British judge summarizes the duty of agency regarding exercise of care, skill, and diligence as follows: "A man who is employed to act for another as his agent is bound to exercise all the skill and knowledge he has of the particular business, all the diligence, zeal and energy he is capable of, and any interest he may have himself, he is bound to exercise in the fullest extent for the sole and exclusive benefit of the person he is acting for."

- To perform all duties personally:
  This is the duty to perform any arrangement such as organizing hotel, airfare, or customs and immigration documentation.

- To notify principal:
  Agency should let principal informed updated information about its service—once or twice daily. Principal should be informed about port condition by agency.

In contrast, principal has several duties and liabilities to tramp agency as follows:

- To provide an opportunity to employ agency

  Principal always has a choice of agency soliciting the principal's support. It is a difficult task for agency to convince a principal to commit to a contract guaranteeing the agent's employment.

- To keep accounts

  Agency is always responsible for accurate accounting of its services and remuneration due by the principal. Nevertheless, principal is not liable to keep an account owed to agency. This is possible risk for agency.

- To keep good conduct

  Agency can terminate the contract with the principal if the principal can discredit the reputation of the agent by illegal activities and verbal abuse.

- To pay compensation

  Agency needs to notify the principal about compensation for additional services. Principal has no liability to pay remuneration for the additional services if agency does not inform the principal about the charge. But, principal should keep in mind that any agency service can incur cost because of the nature of agency business: time is money.

In some cases, a charterer nominates a ship agent. A charterer could be held liable for the acts of a nominated agent if the charterer's nomination is found to be unreasonable, or if it is proved that an agency relationship exists between the charterer and agent, or if the charterer was negligent when nominating an agent for the shipowner.

(c). The basic ideas about business of tramp ship agencies

There are several characteristics of good tramp agency: financial strength, the reporting of voyage documentation, communication promptness, company and agency staff abundant experience, worldwide agency staff experience, and the agency fee. Communication promptness, for instance, is a reflection of how quickly vendors and port authorities are paid after a service is rendered to the ship. It is also typical for good tramp agency that agent's business methods and service attitudes are quite similar to those of the principals. In personal level, the characteristic of the good ship agency staff is the ability to think quickly, clearly, and calmly even during a pressure situation.

The relationship between agency and principal is maintained by personal relationship and trade relationship. The personal relationship represents telephone contact and visit to the principal regularly and upon changes in cost or any other things. The trade relationship is the relationship developed by the commodity trade that the principal serves.

It is said that the disadvantages in working in tramp ship agency are unsocial hours, low pay, non-professional social status, high pressure, and so on. Moreover, what will happen to tramp agency is unpredictable, due to the uncertainty of tramp shipping.

But, this author emphasizes that there exists a sense of fraternity among shipping people where pride in one's work supersedes remuneration. If a vessel sailed without

incidents, or if any problems that arose were satisfactory solved, the tramp agency person will have the feeling of a job well done.

2.4.4. A speech by USCG Captain of the Port

The concept of this speech was the significance in reorganizing harbors and waterways due to the increasing demand of marine transportation.

Currently, by tonnage, ninety-five percent of all US overseas trade and thirteen percent of US domestic trade are transported by water. Suppose world population will increase by fifty percent as forecasts go, the volume of international maritime trade is said to increase two hundred to three hundred percent due to not only this population increase but also globalization of the world economy. But the current ports and waterways are already crowded while the pace of activity of maritime trade is picking up. Therefore, it is necessary to expand the capacity of the ports and waterways.

In order to make harbors and waterways more efficient, especially US port should install deeper channels where megaships, over 6000 20-foot container equivalent units (TEUs), can accommodate.

What USCG contributes to the efficiency of ports and waterways is navigation technology such as Maritime Differential Global Positioning System (DGPS) and the National Distress System. DGPS is a critical component of the nation's intermodal radionavigation system, enhancing maritime safety within harbor approaches and transits. The National Distress System is the frontline communications interface with the recreational boater and the maritime industry.

Also, the Maritime Administration (MARAD) contributes navigation technology such as Intelligent Transportation System (ITS) to the efficiency of ports and waterways. This technology is to seek ways to apply combination of technologies, systems, and transportation management concepts to make transportation more efficient and safe. But, there has been no systematic cooperation between companies and organizations toward the development of water transportation.

Future efforts must include eliminating the gaps, overlaps, and stovepipes among government agencies, agencies and private sector. They need to work together if they want the very best marine transportation system possible for the future.

——3. Discussion and Evaluation——

3.1. What I Learned through My Internship

As described in the previous chapter, there are quite a few and various responsibilities in this internship. These activities provided me the opportunities to think about, especially, the significant factors for ship agency (3.1.1.), my future vision of the maritime industry (3.1.2.), and the fundamental skills in business (3.1.3.). These are discussed as follows:

3.1.1. The Significant Factors for Ship Agency

I noticed two factors for good management of ship agency.

Firstly, it is imperative for ship agency staff to communicate precisely and promptly so that ship agency can respond to the customers' need. It is certain that this is applicable to every business. However, that is even more significant for ship agency since ship agency works with vessel operations in a timely manner.

Secondly, the staff in ship agency have to provide reliable and prompt services upon their customers' needs. This is based on the proper communication skills of the staff, which was mentioned before. The size of ship agency such as the number of employees and the availability of funding is often emphasized to evaluate ship agency. But, in consideration of the nature of ship agency business, reliability and promptness of services is more important than the size of ship agency.

3.1.2. My future vision of the Maritime Industry

The maritime industry appears to be shrinking. The water transportation creates an impression that the maritime transportation has been taken over by the air transportation. But, as the speech of Port Frank Whipple, the US Coast Guard captain, currently ninety-five percent of all U.S. overseas trade and thirteen percent of US intercity domestic trade, by tonnage, still depends on the vessel transportation. Moreover, it is estimated that the volume of international maritime trade will increase two hundred to three hundred percent in consideration of world population growth and globalization of the world economy. The maritime industry will face increasing demands for water transportation. The air carriers probably cannot substitute for all of this water transportation because of the amount of cargo by weight. Also, current port and waterways are already crowded despite this picking-up pace. Thus, port and waterways need to prepare for this increasing demands. Furthermore, there are diversified demands such as manufacturing-on-demand, total-asset-visibility, and electronic data exchange. Therefore, an integrated system of waterways and ports that can meet the growing and faster demands should be developed.

3.1.3. The Fundamental skills in Business

The significant basics that I observed and experienced in this internship are the participation in business-related socializing and the command of precise and prompt communication.

As I attended several business-related socializing, I realized that these played a leading role in smoothing business in the sense that this could refresh and expand human relationship. The importance of human relationship in business was emphasized in 'the 7 habits of highly effective people (Covey, S.R., 1993).' But, in my opinion, it also should be added that business-related socializing surely supports business, but this is not business itself. I think the confusion of business with business-related socializing can result in creating the mentality to depend and rely on people, and end up with depriving of independent way of thinking.

The command of precise and prompt communication is critical in business because many people, not a sole individual, conduct business together. Exchanging name cards and sending thank-you letters smoothes human relationship in business.

3.2. The Useful Things for My Business in Tanaka Kaiun Corp.

Since my childhood, my father has been talking about the great importance of human relationship. He talked about the significance to make friends, to build trust, and to treat people with the greatest care. In this internship, my actual experience verified my father's teaching. This recognition will lead to my better understanding of my father's way of business.

Also, I could grasp the picture of the maritime industry; how maritime companies and businesses work together. This will be useful in my working in the maritime industry.

3.3. Evaluation of Learning

My internship was successful in the sense that it almost fulfilled my objectives proposed in 1.1. I could roughly observe how companies and businesses work together to service a vessel when it enters a harbor. Also, I could learn the fundamental and crucial philosophy common to maintaining and expanding every business. On the other hand, mathematical methods were used in Transmarine not so often as I had expected. Thus, it seems to me that engineering study will not have a vital role in working in ship agency.

What I should have improved in my internship was to start writing this report earlier. Also, I should have added more information for the earlier version of my report as Dr. Maynard and Bill suggested. I had tried to eliminate too many things that need not to be described in order to form one entity of paper.

Next opportunity that I can experience in another internship, I would like to work rather than observe them. Better English proficiency will be needed to do so.

——Acknowledgments——

This report was completed in April 1999 after my internship in Transmarine Navigation Corp. (Transmarine) in Honolulu, Hawaii. This report was rewritten based on the earlier version of my final report that was submitted to Transmarine and Marine Option Program in the University of Hawaii at Manoa (MOP) in October 1998. The revision of this earlier version was suggested by Dr. Sherwood Maynard and William D. Nickson in Transmarine.

My internship was successful in the sense that my internship almost fulfilled my objectives. I wish to acknowledge the debt that this successful internship highly owed to the corporation and enthusiasm of Sherwood Maynard in MOP, and Bob Kitagawa, Georges Buillard, Gracelyn Chung, Kevin Kinerney, Skip Howard and William D. Nickson in Transmarime, and all the other people in various companies, who made this internship a pleasant experience. Sherwood Maynard contacted Transmarine to seek my desire to see the commercial shipping industry. The staff in Transmarine gave me a warm welcome and helped me in many ways to achieve my goals, despite of the fact that I am the first intern in Transmarine. William D. Nickson gave me lots ideas and advises, and arranged the activities that I had hoped to experience. Bob Kitagawa often explained in Japanese to compensate for my deficiency in spoken English. Last but not least, I would like to mention my appreciation for my family since it is primarily my family that provided me the opportunity to seek my interest and aspiration in the field of maritime industry, and to helped pursue my internship at Transmarine, Hawaii.

——Bibliography——

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13. The brochure of McCabe, Hamilton & Renny Co.,Ltd

——Appendices——

A.1. Further Explanation about Operations Research

Operations Research (abbreviated to OR) is a branch of applied mathematics. One of the characteristics of OR is the expansion of the application of methods in natural science. British air force pioneered OR during the WW II. Later, US also began to use OR. One example of the application of OR to the WWII is a project to find out the optimal strategy to avoid meeting Japanese Kamikaze forces. Another example is a project to figure out the optimal locations of docks. After the WW II, OR prevailed worldwidely and the fields of application became extensive as OR has began to be highly used in business field. Also, lots of methods have been developed in OR such as Linear Programming, Dynamic Programming, Markov Chains, and Queuing Theory. Management science applied some of these methods in the problem in its field. At present, along with the rapid development of computers, OR is expected to pioneer expanded applications.

The following is one simple example of OR in shipping business:

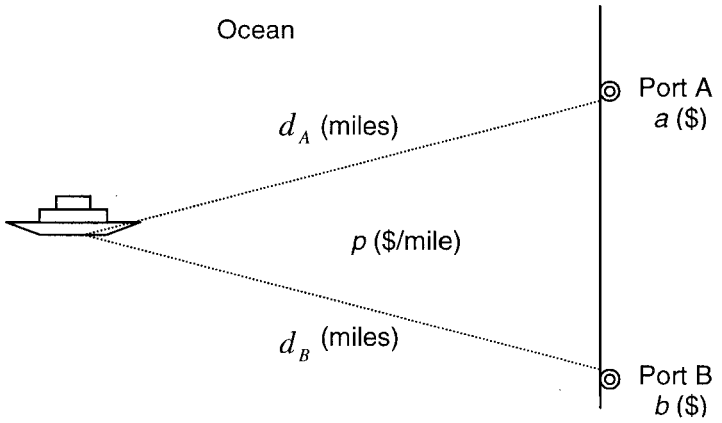

Figure A.1.1. OR Example Problem

A vessel on the sea need to decide which port this vessel should advance on, the port A or the port B. The use of the port A and the port B incurs the fixed costs of a ($) and b ($) respectively. Also, it costs p ($) to travel each mile in fuel. Now, the vessel has d_A (miles) to the port A, d_B (miles) to the port B (Figure A.1.1.).

If the port A is a better port to arrive at economically,

$$p \cdot d_A + a \le p \cdot d_B + b \qquad \text{(A.1)}$$

where the left hand side represents the total cost for the port A, and the right hand side represents the total cost for the port B. This equation can be transformed as follows;

$$\therefore d_A - d_B \leq \frac{b-a}{p} \qquad \text{(A.2)}$$

It follows that, at the boundary with respect to the decision of either port, the difference between the distance to the port A and that to the port B is constant. Therefore, this boundary turns out to be hyperbolas (Figure A.1.2.).

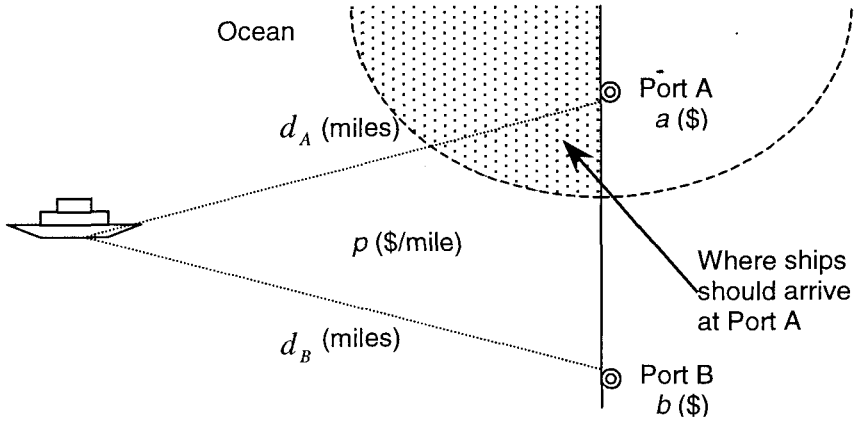

Figure A.1.2. The Solution of the OR Example Problem

It is concluded that, in this simple model, if this vessel is located in the dotted area, this vessel should head for the port A. Otherwise this vessel should advance on the port B.

A.2. The Chronological Records of My Activities

My responsibilities are chronologically shown in each category along with their dates in parentheses.

A.2.1. Activities to Observe Vessel Operations with the Transmarine staff

Honolulu Harbor	(06/25/98)
Barbers Point	(06/26/98)
Sand Island	(07/07/98)

A.2.2. Activities to Attend Conferences, Meetings and Business-Related Socializing

(a). Conferences and Meetings

Meeting with McCabe, Hamilton & Renny Co.,Ltd.	(06/29/98)
Meeting with Island Movers	(06/30/98)
Meeting with Young Brothers, Limited	(06/30/98)
Hawaii Maritime Conference 2	(07/09/98)
Hawaii Operational Safety Team Meeting	(07/16/98)
Conference in US Coast Guard	(07/29/98)

(b). Business-Related Socializing

Rotary Club	(06/26/98)
O'Tools	(06/26/98)
Rotary Club	(06/29/98)
Grand tour in Honolulu and the surrounding area	(06/29/98)
Rotary Club	(07/02/98)
Home Party in Kahana	(07/04/98)
Firework Party	(07/04/98)
Waikiki Yacht Club	(07/16/98)
O'Tools	(08/18/98)

A.2.3. Activities to Observe Maritime Companies' Functions and Maritime-Related Facilities

Pacific Environmental Corp.	(07/14/98)
Hawaiian Tug & Barge Corp.	(07/20/98)
Hawaiian Tug & Barge Corp.	(08/14/98)
Pilot	(08/18/98)
U.S. Coast Guard	(08/21/98)
Hawaiian Maritime Museum	(08/21/98)
Hawaiian Maritime Museum	(09/14/98)
Kaiko (Japanese submersible)	(09/18/98)
Matson Navigation Company	(09/18/98)
Hawaii Stevedores, Inc.	(10/01/98)
Hawaii Stevedores, Inc.	(10/06/98)

A.3. Directory of My Activities

A.3.1. Conferences and Meetings

Conference Name:	Hawaii Maritime Conference II	
Date & Time:	07/09/98	0800-1700
Location:	5th floor, Hilton Hawaiian Village	
Schedule:	0800-1200	presentations
	1200-1330	luncheon
	1330-1600	discussion
	1600-1700	presentations

A.3.2. Maritime Company's functions and Maritime-Related Facilities

(1). Pacific Environmental Corp.

Date & Time:	07/14/98	0730-1600
Location:	Pier 1	

(2). Hawaiian Tug & Barge Corp.

Date & Time:	07/20/98	0800-1030
	08/14/98	1400-1700
Location:	Pier 21	

(3). The Pilot Company

Date & Time:	08/18/98	1430-1800
Location:	Pier 21	

(4). The US Coast Guard

Date & Time:	08/21/98	0900-1200
Location:	Pier 4	

(5). Matson Navigation Company

Date & Time:	09/18/98	1300-1400
Location:	Sand Island	

(6). Hawaii Stevedores, Inc.

Date & Time:	10/01/98	1600-1800
	10/06/98	1700-1800
Location:	Pier 35	

(7). Hawaiian Maritime Museum

Date & Time:	08/21/98	1230-1500
	09/14/98	1400-1530
Location:	Pier 9	

(8). Kaiko (Japanese submersible)

Date & Time:	09/18/98	1430-1600
Location:	Aloha Tower	

A.4. Directory of Companies

- Hawaii Stevedores, Inc.
  Address: 965 N. Nimitz Hwy., Honolulu, HI 96817-4572
  Phone: (808) 527-3419

- Hawaiian Tug & Barge Corp.
  Address: Pier 21 Box 3288 Honolulu, HI 96801-3201
  Phone: (808) 543-9345

- Matson Navigation Company
  Address: Sand Island Access Road, P.O.Box 899, Honolulu, HI 96808
  Phone: (808) 848-1225

- PENCO Pacific Environment Corp.
  Address: 65N. Nimitz Hwy., Pier 14 Honolulu, HI 96817
  Phone: (808) 545-5195

- Tanaka Kaiun Corp.
  Address: 3-2 Chikko Wakayama-city, Wakayama, Japan 640-8287
  Phone: +81 (734) 33-3456

- Transmarine Navigation Corp.
  Address: 443 North Nimitz Highway, Honolulu, Hawaii 96817-5063
  Phone: (808) 599-5581

- US Coast Guard
  Address: 433 Ala Moana Blvd., Honolulu, Hawaii 96813
  Phone: (808) 522-8264

- Young Brothers, Limited
  Address: Pier 24 Box 3288 Honolulu, HI 96801
  Phone: (808) 543-9387

A.5. Expenditures for My internship

Transmarine was estimated to have invested my internship approximately 250 (US$) totally (Table A.5.1.). The expenditure of my own fund was estimated to be approximately 150 (US$) in total (Table A.5.2.).

Table A.5.1. Transmarine Expenditures

Items	Amounts (US$)
Food & beverage	40
Business-related socializing	70
Fuel	30
Registration of Hawaiian Maritime Conference II	70
Telephone calls	10
Miscellaneous	30
Total	250

Table A.5.2. My Expenditures

Items	Amounts (US$)
Film & Print	50
Fuel	70
Name Cards	20
Miscellaneous	10
Total	150